

May 9, 2006

Docket Clerk
Fruit & Vegetable Programs
AMS, USDA
1400 Independence Avenue, SW
Stop 0234
Washington, DC 20250-0234

Re: Docket Number FV06-1290-1 PR FR Vol. 71 No. 76, pages 20353-20357

SENT VIA FAX: 202-690-0102

To Whom It May Concern:

On behalf of the grower-members of the Apricot Producers of California, representing the vast majority of U.S. apricot growers, I am writing in response to the proposed regulations on the Specialty Crop Block Grant Program.

Our comments are aimed specifically at Sec. 1290.4 (a) Eligible grant project. This section states that "To be eligible for a grant, the project (s) must enhance the competitiveness of specialty crops. Priority will be given to <u>fresh</u> specialty crop projects". This statement clearly establishes a priority of fresh products over canned, frozen, dried or any other processed product. We oppose this statement.

The Specialty Block Grant Program is a very valuable tool that can and should be used to help increase the awareness and consumption of all forms of fruits and vegetables to consumers. It is just as an important a tool in assisting producers of all specialty crops to remain competitive in today's difficult farming environment. Pitting producers of fresh vs. processed commodities is the not correct way to operate such a program.

An example of this is the commodity that our members produce, apricots. Part of the growers' crop is sold in the fresh market. This is an important outlet for those growers selling fresh. However, the vast majority of the crop is sold in one of the processing usages, be it canned, frozen, concentrate or dried. All of these outlets are important for our growers to survive, and none are, nor should be given priority. The same is true with the proposed Block Grant we are discussing. No usage should be given priority.

When the debate began on this bill in Congress, it started out as a "fresh produce" bill. However, it was expanded very quickly to include all specialty crops and usages when it was recognized that there was a canned, frozen, dried or further processed crop segment for all "fresh" commodities, not just apricots as in the above example.

The Specialty Crop Block Grant Program is an important program for consumers and producers alike. Through this program, we see tremendous opportunities to help reverse the trend of poor nutrition throughout the U.S. population, and especially in our youth. It is also important and required that this be a program for U.S produced specialty crops only. Imported crops must not be eligible.

Thank you for the opportunity to comment on the Specialty Crop Block Grant Program. We are certain this will be a successful program, and request that priority reference to fresh be removed from the proposed regulation.

Sincerely,

William C. Ferriera

President